Commonwealth of Kentucky
Environmental and Public Protection Cabinet
Department for Environmental Protection
Division for Air Quality
803 Schenkel Lane
Frankfort, Kentucky 40601
(502) 573-3382

Proposed

AIR QUALITY PERMIT

Issued under 401 KAR 52:020

Permittee Name:	**Jim Beam Brands Company, Inc.**
Mailing Address:	**1600 Lebanon Junction Road, Boston, Kentucky 40107**
Source Name:	**Same as above**
Mailing Address:	**Same as above**
Source Location:	**1600 Lebanon Junction Road, Boston, Kentucky 40107**
Permit Number:	**V-03-009 R4**
Source A. I. #:	**3261**
Activity #:	**APE 20060002**
Review Type:	**Title V/Minor Revision/Operating /Construction**
Source ID #:	**21-179-00014**
Regional Office:	**Frankfort Regional Office** **643 Teton Trail, Suite B** **Frankfort, KY 40601-1758** **(502) 564-3358**
County:	**Nelson**
Application Complete Date:	**June 6, 2004**
Issuance Date:	**July 9, 2003**
Revision Date:	**November 16, 2004, August 19, 2005** **February 28, 2006, September 5, 2006**
Expiration Date:	**July 9, 2008**

John S. Lyons, Director
Division for Air Quality

Revised 12/09/02

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SECTION A - PERMIT AUTHORIZATION

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the operation of the equipment described herein in accordance with the terms and conditions of this permit. This permit has been issued under the provisions of Kentucky Revised Statutes Chapter 224 and regulations promulgated pursuant thereto.

The permittee shall not construct, reconstruct, or modify any affected facilities without first having submitted a complete application and receiving a permit for the planned activity from the permitting authority, except as provided in this permit or in 401 KAR 52:020, Title V Permits.

Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by this Cabinet or any other federal, state, or local agency.

SECTION B - SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS

Emissions Unit 01 (01-001, 01-005) Grain Handling Operations
Emissions Unit 10 (06) Unpaved Roads

Description:

Equipment includes: Grain unloading/grain loading/grain transfer and paved/unpaved roads receiving hopper, conveyors with baghouse, grain mills (hammer milling)
Maximum operating rate for grain unloading and loading: 80 tons/hr
Construction commenced before 1972

APPLICABLE REGULATIONS:

401 KAR 63:010, Fugitive emissions is applicable to each affected facility which emits or may emit fugitive emissions and is not elsewhere subject to an opacity standard within the administrative regulations of the Division for Air Quality.

Applicable Requirements:

a) Pursuant to 401 KAR 63:010, Section 3, reasonable precautions shall be taken to prevent particulate matter from becoming airborne. Such reasonable precautions shall include, when applicable, but are not limited to the following:

1. Application and maintenance of asphalt, water, or suitable chemicals on roads, material stockpiles, and other surfaces which can create airborne dusts.
2. Installation and utilization of hoods, fans, and fabric filters to enclose and vent the emissions generated from the processing of dust generating materials, or use of water sprays or other measures to suppress the dust emissions during handling.

b) Pursuant to 401 KAR 63:010, Section 3, discharge of visible fugitive emissions beyond the property line is prohibited.

1. Operating Limitations:

None

2. Emission Limitations:

None

3. Testing Requirements:

None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

4. Specific Monitoring Requirements:

The permittee shall monitor the amount of grain received and processed on a monthly basis.

5. Specific Record Keeping Requirements:

Records of grain received and processed shall be maintained on a monthly basis.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emissions Unit 01A (01-002, 01-004 & 01-006) Grain Handling Operations

Description:

Equipment includes: Receiving hopper, covered conveyors to storage silos and bins with baghouse, grain mills (hammer milling)
Control equipment: Covered bucket elevators and belts - emission point 01-002
Receiver cyclones - emission point 01-004
Bag filters - emission point 01-006
Maximum operating rate: 80 tons/hr
Construction commenced before 1972 for emission point 01-002 and 01-006, July 2006 for emission point 01-004

APPLICABLE REGULATIONS:

401 KAR 61:020, Existing process operations, for emissions unit commenced before July 2, 1975

1. Operating Limitations:

None.

2. Emission Limitations:

a) Pursuant to 401 KAR 61:020, Section 3(2), particulate matter emissions into the open air shall not exceed [55 $(P)^{0.11}$ - 40] pounds per hour based on three-hour average where P is the operating rate in tons per hour.

b) Pursuant to 401 KAR 61:020, Section 3(1)(a), any continuous emission(s) into the open air shall not equal or exceed forty (40) percent opacity.

Compliance Demonstration Method:
Source shall be deemed to be in compliance when baghouse, cyclones and covered conveyors are operated in accordance with manufacturer's specifications and/or standard operating practices.

3. Testing Requirements:

See Subsection 4.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

4. Specific Monitoring Requirements:

a) The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If any visible emissions are seen, then opacity must be determined by U.S. EPA Reference Method 9 and initiate an inspection of the control equipment for any necessary repairs.

b) The permittee shall monitor the amount of grain received and processed on a monthly basis.

5. Specific Record Keeping Requirements:

Records of grain received and processed shall be maintained on a monthly basis.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

a) The baghouse used to control emissions shall be operated as necessary to maintain compliance with applicable requirements in accordance with manufacturer's specifications and/or standard operating practices.

b) Records regarding the maintenance of the baghouse shall be maintained.

c) See Section E.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emissions Unit 02 (02-001) Fermentation Process

Description:

Equipment includes: Fermentation, distilling process and peripheral equipment (replace mash cooler with larger unit, add 3 new fermentation tanks and reconfigure existing distillation equipment in 2006)
Construction commenced: 1975

APPLICABLE REGULATIONS:

None

1. Operating Limitations:

None

2. Emission Limitations:

None

3. Testing Requirements:

None

4. Specific Monitoring Requirements:

The permittee shall monitor the amount of alcohol processed on a monthly basis.

5. Specific Record Keeping Requirements:

Records of alcohol production processed shall be maintained on a monthly basis.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emissions Unit 03 (03-001) Spent Stillage

Description:

Equipment includes: spent stillage tanks and centrifuges
Construction commenced before 1972
Increased capacity evaporator
Installed 2004

APPLICABLE REGULATIONS:

None.

1. Operating Limitations:

See Section D.

2. Emission Limitations:

None.

3. Testing Requirements:

None.

4. Specific Monitoring Requirements:

The permittee shall monitor the amount of spent stillage processed on a monthly basis.

5. Specific Record Keeping Requirements:

Records of spent stillage processed shall be maintained on a monthly basis.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

None.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emissions Unit 04 (04-001 & 04-002) Spent Grain Drying

Description:

Equipment includes: Natural gas direct-fired fluid bed dryer with dryer cyclone collectors
Dryer rating: 38.73 mmBtu/hour
Secondary fuel: Propane

Distiller's Dried Grain Syrups (DDGS) Product Cyclone
Control equipment: Baghouse
Construction commenced on or after June 2004

APPLICABLE REGULATIONS:

401 KAR 59:010, New Process operations, applicable to an emission unit that commenced on or after July 2, 1975.

1. Operating Limitations:

See Section D

2. Emission Limitations:

a) Pursuant to 401 KAR 59:010, Section 3(2), particulate emissions into the open air shall not exceed $[3.59(P)^{0.62}]$ lbs/hour based on a three-hour-average where P is the processing rate in tons/hour. Compliance with the allowable particulate standard may be demonstrated by calculating particulate emissions using grain processing rate, emission factor information, and baghouse control efficiency as follows:

PM Emissions (lbs/hour) from grain drying = (0.01017 lbs/bushels*)x(grain processing averaged weekly in bushels/hour) + (0.27 lb/ton**)x(% efficiency***)x(grain processing averaged weekly in tons/hour)

* = (source specific emission factor based on testing)
** = (which is the AP-42 emission factor)
*** = (1-the baghouse efficiency)

b) Pursuant to 401 KAR 59:010, Section 3(1), visible emissions shall not equal or exceed 20% opacity based on a three-minute-average.

3. Testing Requirements:

See subsection 4

4. Specific Monitoring Requirements:

a) The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If any visible emissions are seen, then opacity must be determined by U.S. EPA Reference Method 9 and initiate an inspection of the control equipment for any necessary repairs.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

b) The permittee shall monitor the grain processing rate (DDGS & bushels), hours of operation and fuels usage on a weekly basis.

5. Specific Record Keeping Requirements:

a) Direct fired fluid bed dryer records of weekly grain processed (DDGS & bushels), hours of operation and amount of natural gas and propane burned shall be maintained.

b) Records regarding the maintenance of the cyclone and the baghouse shall be maintained.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

a) The cyclone and baghouse shall be operated as necessary to maintain compliance with permitted emission limitations in accordance with manufacturer's specifications and/or standard operating practices.

b) See Section E.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emissions Unit 05 (05-001) Distiller's Dried Grain Storages & Cyclones

Description:

Equipment includes: Two Silos and process cyclones - construction commenced after 2004
One Silo and process cyclone - construction commenced after 1991.
Maximum operating rate: 5.2 tons/hr distiller's dried grain
Control equipment: Baghouse

APPLICABLE REGULATIONS:

401 KAR 59:010, New process operations, applicable to an emission unit that commenced on or after July 2, 1975.

1. Operating Limitations:

See Section D.

2. Emission Limitations:

a) Pursuant to 401 KAR 59:010, Section 3(2), particulate emissions into the open air shall not exceed $[3.59(P)^{0.62}]$ lbs/hour based on a three-hour-average where P is the processing rate in tons/hour. Compliance with the allowable particulate standard may be demonstrated by using the following equation:

PM Emissions (lbs/hour) from grain drying = (0.27 lb/ton*) x (% efficiency**)x (grain processing averaged weekly in tons/hour)

* = (which is the AP-42 emission factor)

** = (1-the baghouse efficiency)

b) Pursuant to 401 KAR 59:010, Section 3(1)(a), any continuous emissions into the open air shall not equal or exceed 20% opacity based on a three-minute-average.

3. Testing Requirements:

See Subsection 4.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

4. Specific Monitoring Requirements:

a) The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If any visible emissions are seen, then opacity must be determined by U.S. EPA Reference Method 9 and initiate an inspection of the control equipment for any necessary repairs.

b) The permittee shall monitor the grain processing rate and hours of operation on a weekly basis.

5. Specific Record Keeping Requirements:

a) Records of weekly grain processed and weekly hours of operation shall be maintained.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

None.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emissions Unit 06 (06-001) Distiller's Dried Grain Product Loading

Description:

Equipment includes: DDGS Loading (conveyors, loaders, etc.)
Maximum operating rate: 30.0 tons/hr
Control equipment: Baghouse

APPLICABLE REGULATIONS:

401 KAR 59:010, New process operations, applicable to an emission unit that commenced on or after July 2, 1975.

1. Operating Limitations:

See Section D.

2. Emission Limitations:

a) Pursuant to 401 KAR 59:010, Section 3(2), particulate emissions into the open air shall not exceed $[3.59(P)^{0.62}]$ lbs/hour based on a three-hour-average where P is the processing rate in tons/hour. Compliance with the allowable particulate standard may be demonstrated by using the following equation:

PM Emissions (lbs/hour) from grain drying = (0.086 lb/ton*) x (% efficiency**)x (grain processing averaged weekly in tons/hour)

* = (which is the AP-42 emission factor)

** = (1-the baghouse efficiency)

b) Pursuant to 401 KAR 59:010, Section 3(1)(a), any continuous emissions into the open air shall not equal or exceed 20% opacity based on a three-minute-average.

3. Testing Requirements:

See Subsection 4.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

4. Specific Monitoring Requirements:

a) The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If any visible emissions are seen, then opacity must be determined by U.S. EPA Reference Method 9 and initiate an inspection of the control equipment for any necessary repairs.

b) The permittee shall monitor the grain processing rate and hours of operation on a weekly basis.

5. Specific Record Keeping Requirements:

a) Records of weekly grain loaded and weekly hours of operation shall be maintained.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

None.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emissions Unit 07 (07-002) Barrel Filling, Aging, and Dumping

Description:

Equipment includes: Barrel filling stations, product aging in warehouses, and barrel dumping
Construction commenced before 1971.
Four new warehouses. Construction commenced after June, 2004.

APPLICABLE REGULATIONS:

None.

1. Operating Limitations:

None.

2. Emission Limitations:

None.

3. Testing Requirements:

None.

4. Specific Monitoring Requirements:

The permittee shall monitor the number of barrels stored and filled on a yearly basis.

5. Specific Record Keeping Requirements:

A record of the number of barrels stored and filled on a yearly basis shall be maintained.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

None.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emissions Unit 08 (08-002) Indirect Heat Exchanger

Description:

Natural gas-fired indirect heat exchanger
Secondary fuel: Propane
Maximum continuous rating: 88.85 mmBtu/hr, each
Construction commenced after June, 2004

APPLICABLE REGULATIONS:

401 KAR 59:015, New indirect heat exchangers, applicable to an emissions unit with a capacity of less than 250 mmBtu/hour which commenced after April 9, 1972.

401 KAR 60:005, incorporated by reference Regulation 40 CFR 60, Subpart Dc, Standards of Performance for small industrial-commercial-institutional steam generating units, applies to each steam generating unit commenced after June 9, 1989 that has a maximum design heat input capacity between 10mmBtu/hr and 100mmBtu/hr.

1. Operating Limitations:

See Section D.

2. Emission Limitations:

a) Pursuant to 401 KAR 59:015, Section 4(1)(c), particulate emissions shall not exceed 0.335 lb/mmBtu based on a three-hour average.

b) Pursuant to 401 KAR 59:015, Section 4(2), emissions from each unit shall not exceed 20% opacity based on a six minute average, except that a maximum of 40% opacity, based on a six minute average, shall be permissible for not more than six consecutive minutes in any consecutive 60 minutes during cleaning the firebox or blowing soot.

c) Pursuant to 401 KAR 59:015, Section 5(1)(c), sulfur dioxide emissions shall not exceed 1.23 lbs/mmBtu based on a twenty four-hour average.

d) See Section D.

e) While burning natural gas or propane, this unit is considered to be in continuing compliance with PM, SO_2 and opacity standard.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

3. Testing Requirements:

None.

4. Specific Monitoring Requirements:

a) The permittee shall monitor the heating value and sulfur content of each type of fuel combusted. The permittee may use certification from the fuel supplier to satisfy this requirement.

b) The permittee shall monitor the amount of each type of fuel combusted on a daily basis as stated in 401 KAR 60:005, incorporating by reference Regulation 40 CFR 60, Subpart Dc.

5. Specific Record Keeping Requirements:

a) The permittee shall maintain the records of the amount of each type of fuel combusted on a daily basis as stated in 401 KAR 60:005, incorporating by reference Regulation 40 CFR 60, Subpart Dc.

b) The permittee shall maintain the records of heating value and sulfur content for each type of fuel combusted on a weekly basis.

6. Specific Reporting Requirements:

See Section F.

7. Specific Control Equipment Operating Conditions:

None.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emissions Unit 09 (09-001) Indirect Heat Exchanger

Description:

Spreader stoker coal-fired indirect heat exchanger
Control Equipment: Lime injection system & Baghouse system (installed 2005)
Maximum continuous rating: 65 mmBtu/hr
Construction commenced before 1972

APPLICABLE REGULATIONS:

401 KAR 61:015, Existing indirect heat exchangers, applicable to an emissions unit with a capacity of less than 250 mmBtu/hour which commenced before April 9, 1972.

1. Operating Limitations:

a) Hydrogen Chloride (HCl) emissions shall not exceed 9 tons/year to preclude applicability of the MACT for NESHAPs for Industrial Commercial and Institutional Boilers and Process Heaters, of Title 40 of the CFR 63.7545 (b).

b) See Section D.

2. Emission Limitations:

a) Pursuant to 401 KAR 61:015, Section 4(1), particulate emissions shall not exceed 0.409 lb/mmBtu based on a three-hour average.

The permittee may assure compliance with the particulate standard by calculating particulate emissions using the following formula:

[[(17.0 lbs/ton*) ÷ (13,456 Btu/lb**)] ÷ (2000 lb/ton)] x [1,000,000 Btu/mmBtu] x [1-(***/100)]

* = Emission factor from AP-42 table 1.1-4
** = 13,456 is the coal's heating value in Btu/lb by Jim Beam Co.
*** = Baghouse Control Efficiency

b) Pursuant to 401 KAR 61:015, Section 4(3), emissions shall not exceed 40 percent opacity except that a maximum of sixty (60) percent opacity shall be permissible for not more than six (6) consecutive minutes in any sixty (60) consecutive minutes during cleaning the fire box or blowing soot.

c) Pursuant to 401 KAR 61:015, Section 5(1), sulfur dioxide emissions shall not exceed 6.48 lbs/mmBtu based on a twenty four-hour average.

The permittee may assure compliance with the sulfur dioxide standard by calculating sulfur dioxide emissions using the following formula:

[[(38 lb/ton* x .86**) ÷ (13,456 Btu/lb***)] ÷ (2000 lb/ton)] x [1,000,000 Btu/mmBtu]

* = Emission factor which is from AP-42
** = percent sulfur in coal by Jim Beam Co.
*** = 13,456 is the coal's heating value in Btu/lb by Jim Beam Co.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Compliance Demonstration Method:

For compliance with the HCl operating emission limit. Based on test information submitted to KYDAQ on Jan. 20, 2006 that relates HCl control to lime feed rate, this relationship and the monthly coal usage will be used to estimate monthly HCl emissions. These calculated monthly and 12-month rolling basis will be determined by the equation:

Monthly HCl Emissions = C x 3.48 lbs. HCl/ton of coal x (1-CF/100*)*

C = coal usage (tons/month)
CF= Control Efficiency

$CF=7 \times 10^{-5}L^3-0.0216L^2+2.3306L$

L = average lime feed rate (lb/hr)

3. Testing Requirements:

a) The permittee shall perform at least one performance test for particulate emissions within two years from the issuance of this permit to demonstrate compliance with the particulate standard.

b) If no additional HCl stack tests are performed pursuant to renewal of the permit, the permittee shall conduct a performance test for HCl emissions by the start of the fourth year of this permit to demonstrate applicability of the equation for compliance with the applicable operating limitation standard.

4. Specific Monitoring Requirements:

a) The permittee shall monitor the heating value, ash and sulfur content of coal by performing analysis on each shipment of coal received.

b) In accordance with 401 KAR 61:015, Section 6 (3), the permittee shall monitor the amount of fuel combusted on a daily basis.

c) The permittee shall monitor the average feed rate of lime in pounds per hour when the unit is operating.

d) The permittee shall monitor the baghouse differential pressure and temperature; and other representative operation parameters; and visible emission observations of the stack plume.

e) The permittee shall perform a qualitative visual observation of the opacity of emissions from the unit on a daily basis and maintain a log of the observations. If visible emissions from the stack are seen, the permittee shall determine the opacity emissions by Reference Method 9 and initiate an inspection of the control equipment for any necessary repairs.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

5. Specific Record Keeping Requirements:

a) The permittee shall maintain the records of heating value, ash and sulfur content for coal combusted on a weekly basis as stated in 401 KAR 61:015 Section 6.

b) The permittee shall maintain the records of the amount of fuel combusted on a daily basis as stated in 401 KAR 61:015 Section 6.

c) The permittee shall maintain the records of the average feed rate of lime feed rate in pounds per hour.

d) The permittee shall maintain the records of the calculated HCl monthly and 12-month rolling total values.

e) The permittee shall maintain the records of the log of qualitative visual observations of visible emissions and opacity readings.

f) Records regarding the maintenance and operation of the control equipment shall be maintained.

6. Specific Reporting Requirements:

a) The permittee shall report the emissions of the calculated HCl monthly and 12-month rolling total values.

b) See Section F.

7. Specific Control Equipment Operating Conditions:

a) The lime injection and baghouse systems shall be operated as necessary to maintain compliance with permitted emission limitations in accordance with manufacturer's specifications and/or standard operating practices.

b) Records regarding the maintenance of the lime injection and baghouse systems shall be maintained.

c) See Section E.

SECTION C - INSIGNIFICANT ACTIVITIES

The following listed activities have been determined to be insignificant activities for this source pursuant to 401 KAR 52:020, Section 6. While these activities are designated as insignificant the permittee must comply with the applicable regulation(s). Process and emission control equipment at each insignificant activity subject to a generally applicable regulation shall be inspected monthly and a qualitative visible emissions evaluation made. The results of the inspections and observations shall be recorded in a log, noting color, duration, density (heavy or light), cause and any corrective actions taken for any abnormal visible emissions.

Application Emission Point No.	Description	GenerallyApplicableRegulation
01-002	Grain Unloading	401 KAR 61:020
01-003	Grain Transfer w/Baghouse	401 KAR 61:020
01-004	Grain Cyclones	401 KAR 61:020
01-006	Grain Silos	401 KAR 61:020
02-002	Still	NA
02-003	Converter	NA
02-004	Low Wine Condenser	NA
02-006	High Wine Condenser	NA
02-007	Whiskey Tank	NA
02-008	Heads and Tails Tanks	NA
02-009	Stripper Still	NA
02-010	Retention Tank	NA
07-001	Cistern Tanks	NA
07-003	Regauge Tanks	NA
07-004	Tanker Loading	NA
08-001	Propane Storage Tanks	NA
09-002	Coal Stockpile*	401 KAR 63:010
09-003	Coal Transport*	401 KAR 63:010
09-004	Coal Loading*	401 KAR 63:010
09-005	Ash Handling System	401 KAR 63:010
09-006	Ash Storage Pile	401 KAR 63:010
09-007	Ash Loading	401 KAR 63:010
10	Maintenance Operations	NA
11	Wastewater Treatment System	NA
12	Process Cooling	401 KAR 63:010
13	Miscellaneous Storage Tanks	NA
14	Mobile Sources	401 KAR 63:010

*Replace/modify existing coal handling system in 2006.

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS

1. As required by Section 1b of the Cabinet Provisions and Procedures for Issuing Title V Permits incorporated by reference in 401 KAR 52:020, Section 26; compliance with annual emissions and processing limitations contained in this permit, shall be based on emissions and processing rates for any twelve (12) consecutive months.

2. Particulate matter, sulfur dioxide, hydrogen chloride and visible emissions, measured by applicable reference methods, or an equivalent or alternative method specified in 40 C.F.R. Chapter I, or by a test method specified in the state implementation plan shall not exceed the respective limitations specified herein.

3. In order to ensure non-applicability of 401 KAR 51:017 (Prevention of Significant Deterioration of Air Quality) for Emission Units 03, 04 and 07, the net emissions increase of VOC and NOx shall not exceed 35 tons in any twelve (12) consecutive months. This will be achieved through the following calculations.

EQ-1: VOC net emissions increase, 12-month rolling total:
- Use production data for the most recent 12-month period when calculating 12-month Rolling Total

Net emissions Increase (tons) = Unit 3 VOC + Unit 4 VOC + Unit 8 VOC - Baseline actual emissions
Where:

$$\text{Unit 3 VOC} = \frac{6.59[\text{lb VOC/gal}] \times 28.5[\text{gal/bu}] \times \frac{0.045\ \text{Proof}}{2x100} \times \text{Throughput [bu/yr]}}{2000\ [\text{lb/ton}]}$$

$$\text{Unit 4 VOC} = \frac{0.0178[\text{lb/bu}] \times \text{Throughput [bu/yr]}}{2000\ [\text{lb/ton}]}$$

$$\text{Unit 7 VOC} = \frac{5.5[\text{lb/mmcf}]\text{xBoilerNatGas[mmcf/yr]}+0.5[\text{lb/mgal}]\text{x BoilerPropane[mgal/yr]}}{2000\ [\text{lb/ton}]}$$

EQ-2: NOx net emissions increase, 12-month rolling total:
- Use production data for the most recent 12-month period when calculating 12-month Rolling Total

Net emissions Increase (tons) = Unit 4 NOx + Unit 8 NOx - Baseline actual emissions
Where:

$$\text{Dryer NOx} = \frac{.04[\text{lb/mmbtu}]\text{x}1050[\text{mmbtu/mmcf}]\text{xDryerNatGas[mmcf/yr]} + 19[\text{lb/mgal}]\text{xDryerPropane[mgal/yr]}}{2000\ [\text{lb/ton}]}$$

$$\text{Boiler NOx} = \frac{.09[\text{lb/mmbtu}]\text{x}1050[\text{mmbtu/mmcf}]\text{xBoilerNatGas[mmcf/yr]} + 19[\text{lb/mgal}]\text{xDryerPropane[mgal/yr]}}{2000\ [\text{lb/ton}]}$$

Unit 3 is Emission point 03-001 Spent Stillage
Unit 4 is Emission point 04-001 Spent Grain Drying
Unit 8 is Emission point 08-002 Indirect Heat Exchanger (88.85 mmBtu/hr N.G./Propane)

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS (CONTINUED)

4. In order to ensure non-applicability of the Maximum Achievability Control Technology (MACT) applicability of 40 CFR 63.7545(b), National Emission Standards for Hazardous Air Pollutants (NESHAPS) for Industral, Commercial and Institutional Boilers and Process Heaters of Title 40 of the CFR 63.7545 (b), Jim Beam-Booker Noe Distillery shall limit source-wide HAPs emissions to less than 9 tons per year (tpy) for any individual HAP pollutant and 22.5 tons per year (tpy) for any combination of HAP pollutants. For Emissions Unit 09 (09-001) Indirect Heat Exchanger HCl emissions shall not exceed 9 tons/year in any twelve (12) consecutive months. This will be achieved through the following calculations.

Compliance Demonstration:

For compliance with the HCl operating emission limit and based on test information submitted to KYDAQ on Jan. 20, 2006 that relates HCl control to lime feed rate, this relationship and the monthly coal usage will be used to estimate monthly HCl emissions. The calculated monthly and 12-month rolling total shall be determined by the equation:

Monthly HCl Emissions = C x 3.48(lbHCl/ton coal)x[1 -((7e L** -0.02162L*** +2.3306L-5e****)/100)*

where * = -5
** = 3
*** = 2
**** = -12
C = coal usage (tons/month)
L = average lime feed rate (lb/hr)

SECTION E - SOURCE CONTROL EQUIPMENT REQUIREMENTS

1. Pursuant to 401 KAR 50:055, Section 2(5), at all times, including periods of startup, shutdown and malfunction, owners and operators shall, to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Division which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.

2. Particulate emission from the indirect heat exchanger will be controlled by a bag-house with a proposed efficiency of 99.2 %. Hydrogen Chloride (HCl) emissions will be controlled by a lime injection system and baghouse for an average efficiency of 78 %.

SECTION F - MONITORING, RECORD KEEPING, AND REPORTING REQUIREMENTS

1. Pursuant to Section 1b (IV)1 of the Cabinet Provisions and Procedures for Issuing Title V Permits incorporated by reference in 401 KAR 52:020, Section 26, when continuing compliance is demonstrated by periodic testing or instrumental monitoring, the permittee shall compile records of required monitoring information that include:
   a. Date, place as defined in this permit, and time of sampling or measurements;
   b. Analyses performance dates;
   c. Company or entity that performed analyses;
   d. Analytical techniques or methods used;
   e. Analyses results; and
   f. Operating conditions during time of sampling or measurement.

2. Records of all required monitoring data and support information, including calibrations, maintenance records, and original strip chart recordings, and copies of all reports required by the Division for Air Quality, shall be retained by the permittee for a period of five years and shall be made available for inspection upon request by any duly authorized representative of the Division for Air Quality [Sections 1b(IV) 2 and 1a(8) of the Cabinet Provisions and Procedures for Issuing Title V Permits incorporated by reference in 401 KAR 52:020, Section 26].

3. In accordance with the requirements of 401 KAR 52:020 Section 3(1)h the permittee shall allow authorized representatives of the Cabinet to perform the following during reasonable times:
   a. Enter upon the premises to inspect any facility, equipment (including air pollution control equipment), practice, or operation;
   b. To access and copy any records required by the permit:
   c. Sample or monitor, at reasonable times, substances or parameters to assure compliance with the permit or any applicable requirements.

   Reasonable times are defined as during all hours of operation, during normal office hours; or during an emergency.

4. No person shall obstruct, hamper, or interfere with any Cabinet employee or authorized representative while in the process of carrying out official duties. Refusal of entry or access may constitute grounds for permit revocation and assessment of civil penalties.

5. Summary reports of any monitoring required by this permit, other than continuous emission or opacity monitors, shall be submitted to the Regional Office listed on the front of this permit at least every six (6) months during the life of this permit, unless otherwise stated in this permit. For emission units that were still under construction or which had not commenced operation at the end of the 6-month period covered by the report and are subject to monitoring requirements in this permit, the report shall indicate that no monitoring was performed during the previous six months because the emission unit was not in operation [Section 1b (V)1 of the Cabinet Provisions and Procedures for Issuing Title V Permits incorporated by reference in 401 KAR 52:020, Section 26].

SECTION F - MONITORING, RECORD KEEPING, AND REPORTING REQUIREMENTS (CONTINUED)

6. The semi-annual reports are due by January 30th and July 30th of each year. Data from the continuous emission and opacity monitors shall be reported to the Technical Services Branch in accordance with the requirements of 401 KAR 59:005, General Provisions, Section 3(3). All reports shall be certified by a responsible official pursuant to 401 KAR 52:020 Section 23. All deviations from permit requirements shall be clearly identified in the reports.

7. In accordance with the provisions of 401 KAR 50:055, Section 1 the owner or operator shall notify the Regional Office listed on the front of this permit concerning startups, shutdowns, or malfunctions as follows:
   a. When emissions during any planned shutdowns and ensuing startups will exceed the standards notification shall be made no later than three (3) days before the planned shutdown, or immediately following the decision to shut down, if the shutdown is due to events which could not have been foreseen three (3) days before the shutdown.
   b. When emissions due to malfunctions, unplanned shutdowns and ensuing startups are or may be in excess of the standards notification shall be made as promptly as possible by telephone (or other electronic media) and shall cause written notice upon request.

8. The owner or operator shall report emission related exceedances from permit requirements including those attributed to upset conditions (other than emission exceedances covered by Section F.7. above) to the Regional Office listed on the front of this permit within 30 days. Other deviations from permit requirements shall be included in the semiannual report required by Section F.6 [Section 1b (V) 3, 4. of the Cabinet Provisions and Procedures for Issuing Title V Permits incorporated by reference in 401 KAR 52:020, Section 26].

9. Pursuant to 401 KAR 52:020, Permits, Section 21, the permittee shall annually certify compliance with the terms and conditions contained in this permit, by completing and returning a Compliance Certification Form (DEP 7007CC) (or an alternative approved by the regional office) to the Regional Office listed on the front of this permit and the U.S. EPA in accordance with the following requirements:
   a. Identification of the term or condition;
   b. Compliance status of each term or condition of the permit;
   c. Whether compliance was continuous or intermittent;
   d. The method used for determining the compliance status for the source, currently and over the reporting period.
   e. For an emissions unit that was still under construction or which has not commenced operation at the end of the 12-month period covered by the annual compliance certification, the permittee shall indicate that the unit is under construction and that compliance with any applicable requirements will be demonstrated within the timeframes specified in the permit.

SECTION F - MONITORING, RECORD KEEPING, AND REPORTING REQUIREMENTS (CONTINUED)

f. The certification shall be postmarked by January 30th of each year. Annual compliance certifications should be mailed to the following addresses:

Division for Air Quality
Frankfort Regional Office
643 Teton Trail, Suite B
Frankfort, KY 40601

U.S. EPA Region IV
Air Enforcement Branch
Atlanta Federal Center
61 Forsyth St.
Atlanta, GA 30303-8960

Division for Air Quality
Central Files
803 Schenkel Lane
Frankfort, KY 40601

10. In accordance with 401 KAR 52:020, Section 22, the permittee shall provide the Division with all information necessary to determine its subject emissions within thirty (30) days of the date the KYEIS emission survey is mailed to the permittee.

11. Pursuant to Section VII (3) of the policy manual of the Division for Air Quality as referenced in 401 KAR 50:016, Section 1(1), results of performance test(s) required by the permit shall be submitted to the Division by the source or its representative within forty-five days after the completion of the fieldwork.

SECTION G - GENERAL PROVISIONS

(a) General Compliance Requirements

1. The permittee shall comply with all conditions of this permit. Noncompliance shall be a violation of 401 KAR 52:020 and of the Clean Air Act and is grounds for enforcement action including but not limited to termination, revocation and reissuance, revision or denial of a permit [Section 1a, 3 of the Cabinet Provisions and Procedures for Issuing Title V Permits incorporated by reference in 401 KAR 52:020 Section 26].

2. The filing of a request by the permittee for any permit revision, revocation, reissuance, or termination, or of a notification of a planned change or anticipated noncompliance, shall not stay any permit condition [Section 1a, 6 of the Cabinet Provisions and Procedures for Issuing Title V Permits incorporated by reference in 401 KAR 52:020, Section 26].

3. This permit may be revised, revoked, reopened and reissued, or terminated for cause in accordance with 401 KAR 52:020, Section 19. The permit will be reopened for cause and revised accordingly under the following circumstances:
   a. If additional applicable requirements become applicable to the source and the remaining permit term is three (3) years or longer. In this case, the reopening shall be completed no later than eighteen (18) months after promulgation of the applicable requirement. A reopening shall not be required if compliance with the applicable requirement is not required until after the date on which the permit is due to expire, unless this permit or any of its terms and conditions have been extended pursuant to 401 KAR 52:020, Section 12;
   b. The Cabinet or the U. S. EPA determines that the permit must be revised or revoked to assure compliance with the applicable requirements;
   c. The Cabinet or the U. S. EPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit;

   Proceedings to reopen and reissue a permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of the permit for which cause to reopen exists. Reopenings shall be made as expeditiously as practicable. Reopenings shall not be initiated before a notice of intent to reopen is provided to the source by the Division, at least thirty (30) days in advance of the date the permit is to be reopened, except that the Division may provide a shorter time period in the case of an emergency.

4. The permittee shall furnish information upon request of the Cabinet to determine if cause exists for modifying, revoking and reissuing, or terminating the permit; or compliance with the conditions of this permit [Section 1a, 7,8 of the Cabinet Provisions and Procedures for Issuing Title V Permits incorporated by reference in 401 KAR 52:020, Section 26].

5. The permittee, upon becoming aware that any relevant facts were omitted or incorrect information was submitted in the permit application, shall promptly submit such facts or corrected information to the permitting authority [401 KAR 52:020, Section 7(1)].

SECTION G - GENERAL PROVISIONS (CONTINUED)

6. Any condition or portion of this permit which becomes suspended or is ruled invalid as a result of any legal or other action shall not invalidate any other portion or condition of this permit [Section 1a, 14 of the Cabinet Provisions and Procedures for Issuing Title V Permits incorporated by reference in 401 KAR 52:020, Section 26].

7. The permittee shall not use as a defense in an enforcement action the contention that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance [Section 1a, 4 of the Cabinet Provisions and Procedures for Issuing Title V Permits incorporated by reference in 401 KAR 52:020, Section 26].

8. Except for requirements identified in this permit as state-origin requirements, all terms and conditions shall be enforceable by the United States Environmental Protection Agency and citizens of the United States [Section 1a, 15 of the Cabinet Provisions and Procedures for Issuing Title V Permits incorporated by reference in 401 KAR 52:020, Section 26].

9. This permit shall be subject to suspension if the permittee fails to pay all emissions fees within 90 days after the date of notice as specified in 401 KAR 50:038, Section 3(6) [Section 1a, 10 of the Cabinet Provisions and Procedures for Issuing Title V Permits incorporated by reference in 401 KAR 52:020, Section 26].

10. Nothing in this permit shall alter or affect the liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance [401 KAR 52:020, Section 11(3)(b)].

11. This permit does not convey property rights or exclusive privileges [Section 1a, 9 of the Cabinet Provisions and Procedures for Issuing Title V Permits incorporated by reference in 401 KAR 52:020, Section 26].

12. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by the Kentucky Cabinet for Natural Resources and Environmental Protection or any other federal, state, or local agency.

13. Nothing in this permit shall alter or affect the authority of U.S. EPA to obtain information pursuant to Federal Statute 42 USC 7414, Inspections, monitoring, and entry [401 KAR 52:020, Section 11(3)(d)].

14. Nothing in this permit shall alter or affect the authority of U.S. EPA to impose emergency orders pursuant to Federal Statute 42 USC 7603, Emergency orders [401 KAR 52:020, Section 11(3)(a)].

15. This permit consolidates the authority of any previously issued PSD, NSR, or Synthetic minor source preconstruction permit terms and conditions for various emission units and incorporates all requirements of those existing permits into one single permit for this source.

SECTION G - GENERAL PROVISIONS (CONTINUED)

16. Pursuant to 401 KAR 52:020, Section 11, a permit shield shall not protect the owner or operator from enforcement actions for violating an applicable requirement prior to or at the time of issuance. Compliance with the conditions of a permit shall be considered compliance with:
    (a) Applicable requirements that are included and specifically identified in the permit and
    (b) Non-applicable requirements expressly identified in this permit.

17. Pursuant to Section VII 2.(1) of the policy manual of the Division for Air Quality as referenced by 401 KAR 50:016, Section 1.(1), at least one month prior to the date of a required performance test, the permittee shall complete and return a Compliance Test Protocol (Form DEP 6027) to the Division's Frankfort Central Office. Pursuant to 401 KAR 50:045, Section 5, the Division shall be notified of the actual test date at least ten (10) days prior to the test.

(b) Permit Expiration and Reapplication Requirements

1. This permit shall remain in effect for a fixed term of five (5) years following the original date of issue. Permit expiration shall terminate the source's right to operate unless a timely and complete renewal application has been submitted to the Division at least six months prior to the expiration date of the permit. Upon a timely and complete submittal, the authorization to operate within the terms and conditions of this permit, including any permit shield, shall remain in effect beyond the expiration date, until the renewal permit is issued or denied by the Division [401 KAR 52:020, Section 12].

2. The authority to operate granted shall cease to apply if the source fails to submit additional information requested by the Division after the completeness determination has been made on any application, by whatever deadline the Division sets [401 KAR 52:020 Section 8(2)].

(c) Permit Revisions

1. A minor permit revision procedure may be used for permit revisions involving the use of economic incentive, marketable permit, emission trading, and other similar approaches, to the extent that these minor permit revision procedures are explicitly provided for in the SIP or in applicable requirements and meet the relevant requirements of 401 KAR 52:020, Section 14(2).

2. This permit is not transferable by the permittee. Future owners and operators shall obtain a new permit from the Division for Air Quality. The new permit may be processed as an administrative amendment if no other change in this permit is necessary, and provided that a written agreement containing a specific date for transfer of permit responsibility coverage and liability between the current and new permittee has been submitted to the permitting authority within ten (10) days following the transfer.

SECTION G - GENERAL PROVISIONS (CONTINUED)

(d) Construction, Start-Up, and Initial Compliance Demonstration Requirements

The Distillery is proposing a minor revision to their Title V permit No. V-03-009 R2. The proposed minor revision includes the following:

- Replacement of an existing mash cooler with a new larger mash cooler. Emission Unit 02-001: Mash Cooler
- The reconfiguration of existing distillation equipment. Emission Unit 02-002: Distillation
- Replacement/modification of existing coal handling system. Emission Unit 09-003: Coal Handling System
- The installation of three new fermentation tanks. Emission Unit 02-001: Fermentation Process

The existing mash cooler is is being replaced with a new, larger mash cooler to accomdate distillery expansion. Since the mash cooler is not a pollutant generating activity it qualifies as an insignificant activity per 401 KAR 52:020 Sec. 6.

Reconfiguration of the existing distillation equipment is an operating change and will not result in a change in emissions. Also, replacement/modification of existing coal handling system qualifies as an insignificant activity per 401 KAR 52:020 Sec. 6 and is listed as insignificant activity #17 in the permit Insignificant Activities.

Jim Beam proposes to add three new 50,000 gallon fermentation tanks to its operation. These will not be used until the distillery expansion is complete near January 2008, but the phased construction process being performed by Jim Beam necessitates that they begin in 2006.

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the construction of the equipment described herein, in accordance with the terms and conditions of this permit.

Past Permitting Action: For Minor Revision To Existing Title V Permit

The Distillery is proposing a minor revision to their Title V permit No. V-03-009 R1. The minor revision to the existing permit includes the installation of a baghouse, associated lime injection system and new ash handling system on the existing coal-fired boiler. The baghouse, lime injection system and stack installation will replace the existing cyclones, exhaust fan and stack and will not result in an increase in emissions. The ash handling system which will reduce fugitive emissions of particulate matter (PM) relative to the current ash handling process, will result in estimated potential PM emissions of 1.5 tons per year (tpy) and qualifies as an insignificant activity per 401 KAR 52:020, Section 6.

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the construction of the equipment described herein, in accordance with the terms and conditions of this permit.

SECTION G - GENERAL PROVISIONS (CONTINUED)

Past Permitting Action: For Significant Revision To Existing Title V Permit

The Distillery is proposing a significant revision to their Title V permit No. V-03-009. The projected emissions increases from the modification would exceed Prevention of Significant Deterioration (PSD) regulations. However, they propose to accept an operating limitation in order to "cap-out" of PSD requirements. The following modifications are proposed.

Emission Unit	Ky EIS ID	Emission Unit Description	Process Modification
03	03-001	Spent Stillage: tanks, certrifuges, evaporators	Relocate centrifuges & tanks to new dryhouse. Install larger evaporator
04	03-002	Spent grain drying	Replace existing dryer with natural gas dryer & cyclone collectors.
04	03-003	Spent grain drying	Replace existing Aerator Cyclone with DDGS Product Cyclone with Baghouse.
05	03-004	Distiller's Dried Grains (DDGS) Silos & Process Cyclones	Construct 2 silos with cyclones and common baghouse. Relocate1 silo and cyclone. Remove 2 existing silos.
05	03-005	DDGS Loading	Replace existing DDGS loading equipment with new (conveyors, etc.)
06	04-002	Barrel Aging	Remove existing Warehouse N. Construct 4 new warehouses over next 2 years. Warehouse X,Y & Z - 2004 Warehouse AA - 2005
07	005-01	Fuel Storage	Remove existing 6 Fuel Oil tank. Use existing (2) Propane tanks as back Up fuel source.

SECTION G - GENERAL PROVISIONS (CONTINUED)

07	005-02	Indirect heat exchanger	Remove existing #6 Fuel Oil boilers (2). Install (1) new natural gas indirect heat exchanger.
08	005-03	Indirect heat exchanger	Remove existing #6 Fuel Oil boilers (2). Ky EIS 005-03 eliminated.

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the construction of the equipment described herein, in accordance with the terms and conditions of this permit.

1. Construction of any process and/or air pollution control equipment authorized by this permit shall be conducted and completed only in compliance with the conditions of this permit.

2. Within thirty (30) days following commencement of construction and within fifteen (15) days following start-up and attainment of the maximum production rate specified in the permit application, or within fifteen (15) days following the issuance date of this permit, whichever is later, the permittee shall furnish to the Regional Office listed on the front of this permit in writing, with a copy to the Division's Frankfort Central Office, notification of the following:
   a. The date when construction commenced.
   b. The date of start-up of the affected facilities listed in this permit.
   c. The date when the maximum production rate specified in the permit application was achieved.

3. Pursuant to 401 KAR 52:020, Section 3(2), unless construction is commenced within eighteen (18) months after the permit is issued, or begins but is discontinued for a period of eighteen (18) months or is not completed within a reasonable timeframe then the construction and operating authority granted by this permit for those affected facilities for which construction was not completed shall immediately become invalid. Upon written request, the Cabinet may extend these time periods if the source shows good cause.

4. For those affected facilities for which construction is authorized by this permit, a source shall be allowed to construct with the proposed permit. Operational or final permit approval is not granted by this permit until compliance with the applicable standards specified herein has been demonstrated pursuant to 401 KAR 50:055. If compliance is not demonstrated within the prescribed timeframe provided in 401 KAR 50:055, the source shall operate thereafter only for the purpose of demonstrating compliance, unless otherwise authorized by Section I of this permit or order of the Cabinet.

SECTION G - GENERAL PROVISIONS (CONTINUED)

5. This permit shall allow time for the initial start-up, operation, and compliance demonstration of the affected facilities listed herein. However, within sixty (60) days after achieving the maximum production rate at which the affected facilities will be operated but not later than 180 days after initial start-up of such facilities, the permittee shall conduct a performance demonstration ***(test)*** on the affected facilities in accordance with 401 KAR 50:055, General compliance requirements. ***These performance tests must also be conducted in accordance with General Provisions G(d)7 of this permit and the permittee must furnish to the Division for Air Quality's Frankfort Central Office a written report of the results of such performance test.***

6. Terms and conditions in this permit established pursuant to the construction authority of 401 KAR 51:017 or 401 KAR 51:052 shall not expire.

7. Pursuant to Section VII 1.(2 and 3) of the policy manual of the Division for Air Quality as referenced by 401 KAR 50:016, Section 1.(1), if a demonstration of compliance, through performance testing was made at a production rate less than the maximum specified in the application form, then the permittee is only authorized to operate at a rate that is not greater than 110% of the rate demonstrated during performance testing. If and when the facility is capable of operation at the rate specified in the application, compliance must be demonstrated at the new production rate if required by the Division.

(e) Acid Rain Program Requirements

If an applicable requirement of Federal Statute 42 USC 7401 through 7671q (the Clean Air Act) is more stringent than an applicable requirement promulgated pursuant to Federal Statute 42 USC 7651 through 7651o (Title IV of the Act), both provisions shall apply, and both shall be state and federally enforceable.

(f) Emergency Provisions

1. Pursuant to 401 KAR 52:020 Section 24(1), an emergency shall constitute an affirmative defense to an action brought for the noncompliance with the technology-based emission limitations if the permittee demonstrates through properly signed contemporaneous operating logs or relevant evidence that:
   a. An emergency occurred and the permittee can identify the cause of the emergency;
   b. The permitted facility was at the time being properly operated;
   c. During an emergency, the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and
   d. Pursuant to 401 KAR 52:020, 401 KAR 50:055, and KRS 224.01-400, the permittee notified the Division as promptly as possible and submitted written notice of the emergency to the Division when emission limitations were exceeded due to an emergency. The notice shall include a description of the emergency, steps taken to mitigate emissions, and corrective actions taken.
   e. This requirement does not relieve the source of other local, state or federal notification requirements.

SECTION G - GENERAL PROVISIONS (CONTINUED)

2. Emergency conditions listed in General Condition (f)1 above are in addition to any emergency or upset provision(s) contained in an applicable requirement [401 KAR 52:020, Section 24(3)].

3. In an enforcement proceeding, the permittee seeking to establish the occurrence of an emergency shall have the burden of proof [401 KAR 52:020, Section 24(2)].

(g) Risk Management Provisions

1. The permittee shall comply with all applicable requirements of 401 KAR Chapter 68, Chemical Accident Prevention, which incorporates by reference 40 CFR Part 68, Risk Management Plan provisions. If required, the permittee shall comply with the Risk Management Program and submit a Risk Management Plan to:

   RMP Reporting Center
   P.O. Box 3346
   Merrifield, VA, 22116-3346

2. If requested, submit additional relevant information to the Division or the U.S. EPA.

(h) Ozone depleting substances

1. The permittee shall comply with the standards for recycling and emissions reduction pursuant to 40 CFR 82, Subpart F, except as provided for Motor Vehicle Air Conditioners (MVACs) in Subpart B:
   a. Persons opening appliances for maintenance, service, repair, or disposal shall comply with the required practices contained in 40 CFR 82.156.
   b. Equipment used during the maintenance, service, repair, or disposal of appliances shall comply with the standards for recycling and recovery equipment contained in 40 CFR 82.158.
   c. Persons performing maintenance, service, repair, or disposal of appliances shall be certified by an approved technician certification program pursuant to 40 CFR 82.161.
   d. Persons disposing of small appliances, MVACs, and MVAC-like appliances (as defined at 40 CFR 82.152) shall comply with the recordkeeping requirements pursuant to 40 CFR 82.166
   e. Persons owning commercial or industrial process refrigeration equipment shall comply with the leak repair requirements pursuant to 40 CFR 82.156.
   f. Owners/operators of appliances normally containing 50 or more pounds of refrigerant shall keep records of refrigerant purchased and added to such appliances pursuant to 40 CFR 82.166.

2. If the permittee performs service on motor (fleet) vehicle air conditioners containing ozone-depleting substances, the source shall comply with all applicable requirements as specified in 40 CFR 82, Subpart B, *Servicing of Motor Vehicle Air Conditioners*.

SECTION H - ALTERNATE OPERATING SCENARIOS

None

SECTION I - COMPLIANCE SCHEDULE

None